

**Basin Study Work Group Meeting
January 16, 10:00 – 1:00
USDA Forest Service Office
63095 Deschutes Market Road, Bend, OR**

ATTENDING

Adam Sussman, GSI
Elmer McDaniels, Tumalo Irrigation District
Mike Tripp, Trout Unlimited
Mark Reineke, Bryant, Lovlein and Jarvis representing Avion
Brett Golden, Deschutes River Conservancy
Kyle Gorman, Oregon Water Resources Department
Jason Gritzner, USDA Forest Service
Brett Hodgson, Oregon Department of Fish and Wildlife
Bill Hopp, Tumalo Irrigation District
Steve Johnson, Central Oregon Irrigation District
Ken Rieck, Tumalo Irrigation District
Suzanne Butterfield, Swalley Irrigation District
Eric Klann, City of Prineville
Betty Roppe, Central Oregon Cities Organization; City of Prineville
Mike Kasberger, Ochoco Irrigation District
Pamela Thalacker, Three Sisters Irrigation District
Nancy Gilbert, US Fish and Wildlife Services
Danielle MacBain, GSI
Joy Cooper, GSI
Kate Fitzpatrick, Deschutes River Conservancy (by phone)
Chris Gannon, Crooked River Watershed Council (by phone)
Kimberly Priestley, WaterWatch (by phone)

Also present were:

Mary Orton, The Mary Orton Company (facilitator)

AGENDA

The group used the following agenda as a guide during their meeting:

1. Welcome
2. Check-in
3. Development of Proposal to Bureau of Reclamation
4. Meeting Evaluation
- 5.

Welcome and Check-In

Suzanne Butterfield convened the meeting. Participants were invited to check in.

Development of Proposal to Bureau of Reclamation

Suzanne reported that Reclamation accepted our letter of interest.

Adam Sussman reviewed the outcomes of the meeting with Bureau of Reclamation in December. Dawn Wiedmeier recommended that proposals don't go too far into the details of *what* you're going to do and that proposals focus on *why* you're going to do it. She provided the Hood River Basin Study and prior Deschutes Water Alliance proposals as examples of good proposals. Reclamation highlighted that in-kind match will be difficult to use and that, even if the BSWG obtains additional funds beyond the \$750,000 in the future, Reclamation will likely not be able to match it.

GSI created a table summarizing the proposed additions and deletions to the proposal. Adam noted that Reclamation considered the prior proposal to be an example of a good proposal and that Reclamation recommended using it as a base for the 2014 proposal. GSI will take input from the meeting and develop a 2014 proposal based on that input. They'll bring that proposal to the January 27 meeting.

Kimberly recommended that we add "instream and out of stream" when we mention "demands" throughout the proposal.

Mary noted that the group agreed on green highlighted changes and included them in the letter of interest.

The group reviewed the following changes to the study proposal:

1. Study Abstract

Danielle and Adam noted that they adjusted the study abstract and contents to align with the current study criteria as identified by Reclamation. They summarized that the study will build on prior work with trade-off analyses, cost estimates, and incorporation of climate change impacts on hydrology.

The group discussed the planning horizon. Suzanne suggested that we clearly indicate that we're looking to start immediately even though we're looking out 50 (or whatever is decided) years.

2. Evaluation Criteria

A. Extent and Consequences of Existing or Anticipated Imbalances in Water Supply and Demand

Adam noted that the prior proposal contained a lot of good information and that we can incorporate updated information. We have the framework to identify why this study will be necessary. The February 26, 2013 Deschutes Water Planning Initiative report summarizes the shortages identified by irrigation districts, municipalities, and instream interests and can be used to update the proposal.

Kate noted that some of the demands identified in the 2013 report may warrant further updating as part of the Basin Study.

Jason noted that the volume target for the upper Deschutes River should not be considered a fixed number; additional flows beyond 300 cfs could be beneficial. Adam noted that the proposal includes an estimate of the volume of water need for the upper Deschutes Basin and will not be too specific.

The group discussed uncertainties related to instream demands and climate change. The group agreed to use the latest numbers but indicate that they will update those numbers through the course of the study based on improved climate change data and improved instream, municipal, and agricultural demand projections.

The study should at least focus on impacts to:

Water Deliveries to the Contractors of the Secretary of the Interior

North Unit Irrigation District and Ochoco Irrigation District are the only two participating districts with Reclamation contracts. Two smaller districts in the Crooked have Reclamation contracts, have not been an active part of this process to-date.

OID's and NUID's not getting water will have devastating economic impacts for the counties and will affect the economy of the region.

The group discussed whether the study should include Low Line, People's, and Crooked River Central as contractors who are not part of the study. The group discussed the need to include their information and suggested that someone should reach out to these groups again.

Participants suggested that consequences for all irrigators will be similar. The group agreed that Reclamation contractors may be more affected by water shortages affecting listed species than non-Reclamation contractors because the Federal nexus brings additional ESA obligations.

Hydroelectric Power Generation Facilities

Water shortages will reduce the production of renewable energy, reduce revenues, and affect a district's ability to pay its debts

Recreation at BOR Facilities

Water shortages will reduce recreation at BOR facilities, impact local economies, and affect children's connection to nature (this is a Department of the Interior goal).

The same impacts apply to non-Reclamation facilities.

Fish and Wildlife Species

OID's and NUID's not getting water will impact wildlife habitat and wildlife-using farms.

Rivers not getting water will impact both listed and non-listed upland, riparian, wetland, and aquatic species.

Rivers not getting water will have an economic impact on local communities.

Endangered, Threatened or Candidate Species

See above.

Water Quality Issues

Water supply shortages will exacerbate temperature and dissolved oxygen problems in impaired streams, reducing their ability to attain state water quality criteria.

Flow and Water Quality Dependent Ecological Resiliency

Imbalances between supply and demand will impair the functioning of physical and ecological processes. For example, if the upper Deschutes River does not have enough water to support riparian vegetation, then banks deposit sediment into the river, fish have less habitat to spawn, and other cascading effects occur.

Flood Control Management

The group discussed that some BOR facilities exist for flood control. Imbalances between supply and demand will lead to the problems described above.

A better understanding of climate change impacts will allow BOR to better manage flood control facilities such as the Crooked River.

Climate change and water imbalances may lead to increased flooding in and around the City of Sisters and increased shortages in Three Sisters Irrigation District. These impacts and potential solutions should be included in the Basin Study.

B. The Extent to Which the Proposal Describes and Provides Support for the Study Proponents Ability to Address the Following Elements of a Basin Study Within the Timeframe Provided

Generally, the proposal should indicate that DBBC has the capacity to serve as the signatory. It should address:

i. Projections of Water Supply and Demand.

The proposal should highlight the work already underway.

ii. Analysis of Water and Power Infrastructure and Operations Performance.

The proposal should highlight the foundation already created through past work.

iii. Development of Appropriate Adaptation and Mitigation Strategies.

We have a good conceptual framework and the Basin Study will allow us to build on that framework.

iv. Trade-off Analysis

The proposal should highlight our ability to understand stakeholder response

C. The Extent to Which Federal Involvement is Needed Due to the Nature and Complexity of the Issues and the Strength of the Federal Nexus

Pamela commented that we should highlight that we've completed many of the easy projects and the study will help us to develop the more challenging projects.

Existing efforts have not adequately addressed climate change.

Federal involvement is needed to aid in evaluating off-channel storage.

Reclamation staff will be evaluating climate change impacts.

Nancy noted that Oregon Spotted Frog is present in specific parts of the basin.

The proposal should call out that the study should evaluate the impacts of climate change on stream flow as it affects riparian, wetland, and aquatic species.

The proposal should identify that actions in non-Bureau irrigation districts could benefit Bureau contractors.

D. The Availability and Quality of Existing Data and Models and the Ability of Basin Study Partners to Address Future Imbalances

The proposal does not explicitly address capacity yet. It will draw from existing capacity of stakeholders.

E. The Level of Support for the Basin Study and the Diversity of Stakeholders That Will Be Involved

BSWG members should provide letters of support by February 7.

Suzanne suggested taking a sample letter to DWA.

Betty suggested taking a draft letter of support to COCO.

The group agreed that letters from DWA and COCO should not replace letters from individual stakeholders.

Kate will be the point person for letters of support.

The prior proposal contains sample letters of support for reference. Kate will distribute an updated sample draft letter for people to use if they wish.

F. The Extent to Which the Proposed Study Will Employ an Integrated Watershed Planning and Management Approach

This question was not present in prior evaluation criteria.

Steve suggested that we highlight the proposals alignment with prior studies.

The group agreed that we should highlight that this is not a one dimensional study; it addresses multiple issues through multiple actions.

Study Outline and Schedule

The prior Deschutes Basin study identified a detailed series of tasks and costs associated with those tasks. Examples of successful proposals in other basins have much less detail in their outline and schedule. Adam suggested that we follow the latter approach; we don't want to include information that would later be developed in the plan of study. He noted that the high level tasks have not changed.

Group members noted that including a lot of detail in the study outline and schedule is not as critical if the detail appears above. They agreed to include less detail than we provided in 2010 and more detail than other applicants provided.

Adam noted that the applicant spends some of their money on the MOA and the Plan of Study,

Several participants suggested that we should include an evaluation of additional storage opportunities.

The group agreed that we should plan for a two year study but that the MOA should extend over three years. Steve noted that several actions, such as NEPA, have to happen after the study and prior to implementation. The extra year gives us and Reclamation time to complete those actions.

Adam proposed including an estimated high-level budget in the proposal.

The group discussed high level tasks.

- Develop a MOU and Plan of Study - Include
- Analysis of Existing Water Supplies and Future Projections – Include
- Analysis of Existing and Future Water Demands - Include
 - Kimberly recommended that the 2006 demands not limit our evaluation of demands, particularly for instream flows.
- Analyze How Water and Power Infrastructure and Operations Will Perform – Include
 - The proposal should reference Pacific Northwest National Labs' Deschutes Basin Scale Opportunity Assessment
- Develop Options to Meet Future Supply Needs
 - Include storage options as appropriate.

- Evaluation and Trade-off Analysis – Include
- Findings and Recommendations – Include
- Stakeholder Involvement – Include
 - Vet this with Reclamation.
 - Include facilitation for the existing stakeholder group. This task could also fall under project management.
- Project Management – Include
 - This task will be necessary for a large-scale planning effort.

The proposal tasks may need to explicitly include climate change tasks completed by Reclamation. Those tasks may fall under other high level tasks. Adam will follow up with Reclamation about the tasks that they will complete.

Suzanne noted that Reclamation's Bend Area Office will be very helpful, but Basin Study expertise lies with Wendy Christenson.

Action Items

Kate will send out a draft letter of support to BSWG members.

BSWG members will obtain letters of support from their respective groups.

GSI will draft a study budget and bring it back to the group.

GSI will provide a 60%+ draft prior to the next BSWG meeting, allowing enough time to review it prior to the meeting.

The meeting was adjourned.